

**DEPARTMENT OF THE ARMY
CORPS OF ENGINEERS**

ORAL STATEMENT

OF

**LIEUTENANT GENERAL ROBERT B. FLOWERS
CHIEF OF ENGINEERS
U. S. ARMY CORPS OF ENGINEERS**

BEFORE

**THE SUBCOMMITTEE ON ENERGY AND WATER DEVELOPMENT
COMMITTEE ON APPROPRIATIONS
UNITED STATES HOUSE OF REPRESENTATIVES**

ON

**THE ARMY CIVIL WORKS PROGRAM
FISCAL YEAR 2004 BUDGET**

MARCH 26, 2003

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MR. CHAIRMAN AND DISTINGUISHED
MEMBERS OF THE SUBCOMMITTEE:

I am again honored to be testifying before you, along with the Under Secretary, on the President's Fiscal Year 2004 Budget for the Army's Civil Works Program.

INTRODUCTION

Today, thanks to this subcommittee's strong support, the Civil Works Program is balanced, responsive, and highly productive. I look forward to your continued partnership in this important program, so broadly beneficial to the Nation.

My complete statement covers more details on the Fiscal Year 04 program, the backlog, future water challenges, transforming the

Corps, our business management system and the overall the value of the Corps to the nation's economy and the national defense.

With your permission, I will summarize some of the major points.

**SUMMARY OF FY04 PROGRAM BUDGET
AND
THE VALUE OF THE CIVIL WORKS
PROGRAM TO THE NATION'S
ECONOMY, ENVIRONMENTAL AND
SOCIAL WELL-BEING**

First, a word about the President's Budget and the value of the Civil Works Program to the Nation's economy and the environment.

We will work aggressively to make the most efficient use possible of the Fiscal Year 04 President's Budget for the Army Corps of Engineers.

This budget funds the critical water resources infrastructure that has improved the quality of our citizens' lives and provided a foundation for the economic growth and development of this Country. Our projects for navigation, flood protection, ecosystem restoration, hydropower generation, and recreation directly contribute to national economic might.

The stream of benefits, realized as reduced transportation costs, avoided flood and storm damages, and improvements in environmental value, are considerable.

Just a few numbers in which you may be interested:

- The navigation program you fund enables 2.4 billion tons of commerce to move on navigable waterways. The US Department of Transportation estimates that these cargo movements have created jobs for 13 million people.

- Another fact: Corps flood damage reduction structures save taxpayers \$21 billion in damages every year in addition to the lives they save.
- And another: Private industry contractors carry out almost all of our construction work and over 50 percent of our civil planning and engineering—money going directly into the economy.

This budget also includes funding to support watershed studies. These studies will allow us to work collaboratively with many stakeholders. With the complexity of water problems today, we believe this is the direction we must take to develop the best, most comprehensive solutions.

CIVIL WORKS PROGRAM BACKLOGS

Moving, now, to our backlogs. We estimate it will cost more than \$21 billion to complete the construction projects in the Construction General program funded in the FY 04 budget.

On the maintenance backlog, we continue to be challenged as well. You can see from the numbers I just cited on the value of Corps projects that our infrastructure is a critical element in a strong economy. Sustaining this level of service becomes more of a challenge as our infrastructure ages. The funding required at the end of FY 04 to complete the high priority maintenance work in the Operations and Maintenance account is slightly over \$1 billion, that represents an increase of about \$127 million over last year. I can assure you that I will continue to do all that I can to make these programs as cost-effective as possible.

FUTURE WATER CHALLENGES

Next, I'd like to talk briefly about future water challenges and a few thoughts about water policy.

Last fall, the American Water Resources Association sponsored a seminar on the need for a more comprehensive water policy in the nation. Conflicting demands for water are increasing across the country and exist in almost every major watershed. Solutions to these complex problems will not be easy. Development of such policy will, in turn, require collaboration of many government organizations, at all levels. You have my assurance that the Corps stands ready to assist you and the Administration in this effort.

CORPS TRANSFORMATION

Turning now to the issue of Corps transformation-

There are many interested in transforming the Corps—inside and outside of the organization. Some may have the larger goal of changes in current water policy in mind. Others may want us to operate more efficiently and effectively. We're listening to all of these good ideas. I've met with individuals, industry groups and interest groups to hear what they have to say.

I have issued communication principles to ensure that all within the Corps are practicing open, effective, and timely two-way communication with the entire community of water resources interests.

Let me assure you, I'm committed to working with you and all who are interested and to doing all in my power to transform the

Corps to meet the Nation's needs.

VALUE OF THE CIVIL WORKS PROGRAM TO THE NATION'S DEFENSE

And, finally, a subject dear to my heart - the value of the Civil Works Program to national defense.

You can be proud that the Civil Works Program is a valuable asset in support of the National Security Strategy in many ways. For instance, we have a trained engineering workforce, with world-class expertise, capable of responding to a variety of situations across the spectrum of national defense. In fact, skills developed in managing Corps projects transfer to most tactical engineering-related operations.

As an example, to date, 250 civilian members of our Civil Works Program team

have volunteered for deployment in support of Operation Enduring Freedom—providing engineering, construction, and real estate support. They wear uniforms like those of active duty military personnel, and by civilian standards, live under Spartan conditions. Nevertheless, they are inspired by knowledge that they are participating in an important mission.

CONCLUSION

In summary, the Corps is committed to staying at the leading edge in providing service to the Nation, and I truly appreciate your continued support to this end.

Thank you Mr. Chairman and Members of the Committee. This concludes my statement.